2007-05283/

Government of Canada Securities

A Publication of the Department of Finance

January 2004

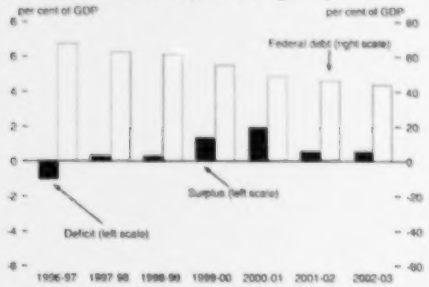
Canadian Economy

Selected Canadian economic statistics

	2001	2002	2003 Q1	Q2	Q3
Annualized growth rates		(per cent)			
Real gross domestic product	1.9	3.3	2.0	-0.7	1.1
Final domestic demand	3.2	2.9	3.8	4.3	5.7
Employment growth	1.1	2.2	2.2	0.4	0.4
Other					
Unemployment rate	7.2	7.7	7.4	7.7	7.9
Current account balance (percentage of GDP)	2.4	2.0	2.3	1.7	2.4

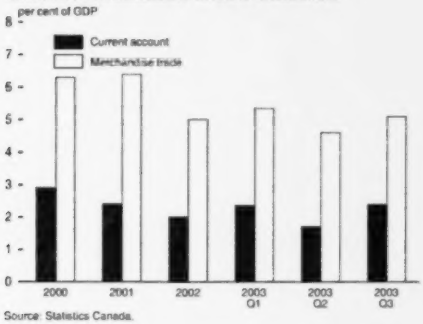
Source: Statistics Canada.

Government of Canada debt (accumulated deficit) and budgetary balance



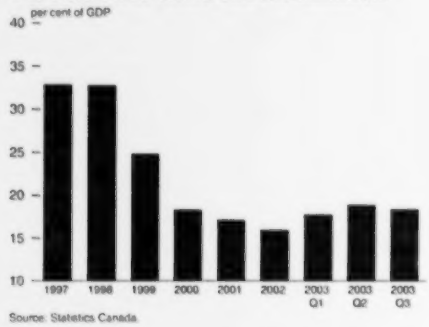
Source: Department of Finance.

Canada's current account balance and merchandise trade balance



Source: Statistics Canada.

Canada's net international liabilities



Source: Statistics Canada.

Upcoming economic data releases of interest

January

December CPI
(January 22)

November GDP
(January 30)

February

January Labour Force Survey
(February 6)

January CPI
(February 20)

December GDP
(February 27)

National Economic and Financial Accounts
October-December 2003
(February 27)

March

February Labour Force Survey
(March 12)

February CPI
(March 18)

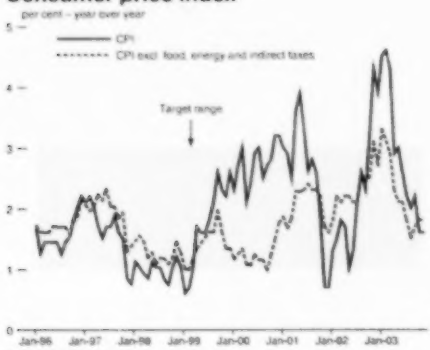
January GDP
(March 31)

Canada

Government of Canada Securities

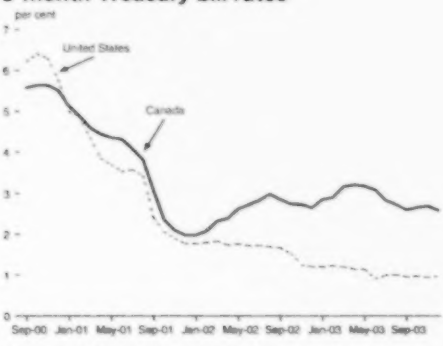
Canadian Economy

Consumer price index



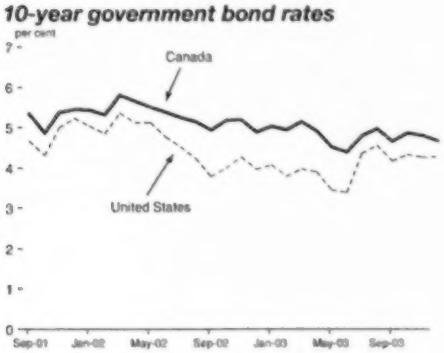
Source: Statistics Canada.

3-month Treasury bill rates



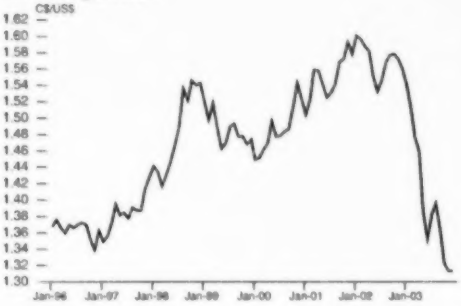
Sources: Bank of Canada and Federal Reserve.

10-year government bond rates



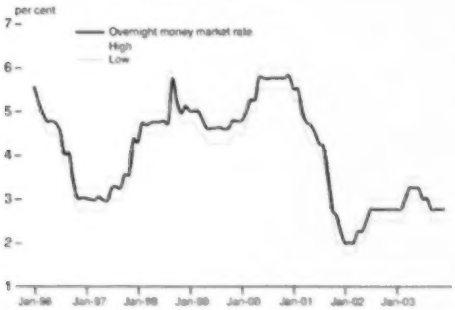
Sources: Bank of Canada and Federal Reserve.

Exchange rate



Source: Bank of Canada.

Overnight money market rate and operating band



Source: Bank of Canada.

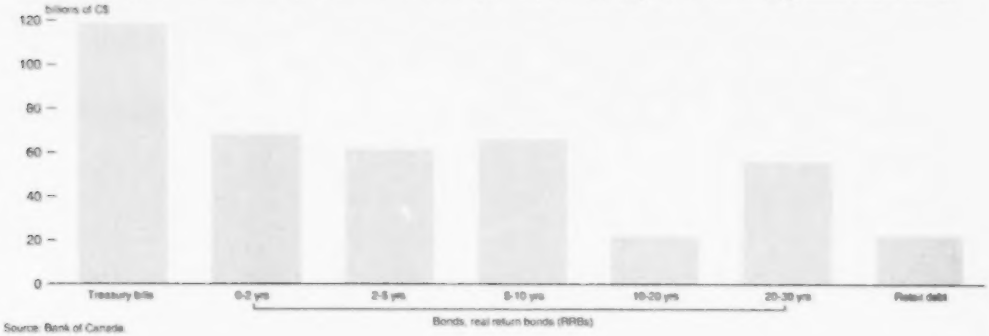
Canadian monetary aggregates

Source: Bank of Canada.

Government of Canada Securities

Primary Market

Outstanding Government of Canada Treasury bills, bonds (by term maturity) and retail debt



Source: Bank of Canada.

Recent Government of Canada bond auction results

Auction date	Term	Maturity date	Coupon rate	Issue amount	Average price	Average yield	Auction coverage*	Tail**
	(years)		(%)	(millions of dollars)		(%)		(basis points)
Jan.14, 2004	30	June 1, 2033	5.75	1,500	109.623	5.113	2.532	0.1
Dec. 12, 2003	2	June 1, 2006	3	3,500	99.522	3.205	2.415	0.7
Nov. 26, 2003	5	September 1, 2009	4.25	2,300	99.607	4.329	2.438	0.6
Oct. 15, 2003	10	June 1, 2014	5	2,400	99.615	5.048	2.21	0.5
Sept. 17, 2003	2	December 1, 2005	3	2,500	99.612	3.183	2.495	0.3
Sept. 10, 2003	30	December 1, 2036	3***	300	98.239	3.085	2.693	n.a.

*Coverage is defined as the ratio of total bids at auction to the amount auctioned.

**Tail is defined as the high accepted yield minus the average yield.

***RRB.

Source: Bank of Canada.

Upcoming Government of Canada bond auctions

Type of issue	Auction date (2004)	Further details of issue (2004)	Dated and delivered (2004)	Amount maturing*
				(millions of dollars)
10-year auction	February 4	January 29	February 9	0
5-year auction	February 18	February 12	February 23	0
30-year auction	March 3	February 26	March 8	0
2-year auction	March 10	March 4	March 12	0

Note: In addition, this quarter eight operations are planned under the Government of Canada bond repurchase program. Four repurchase operations will be held in conjunction with each nominal bond auction, and four pilot switch repurchase operations will take place: one on January 21, 2004 in the 5-year sector, one on February 11, 2004 in the 2-year sector, one on February 25, 2004 in the 30-year sector and one on March 17, 2004 in the 10-year sector. Further details will be released on the Thursday prior to these operations. The target amount for repurchase this quarter is $3.7 billion.

*Maturity of $929 million on February 2.

Source: Bank of Canada.

Government of Canada Securities

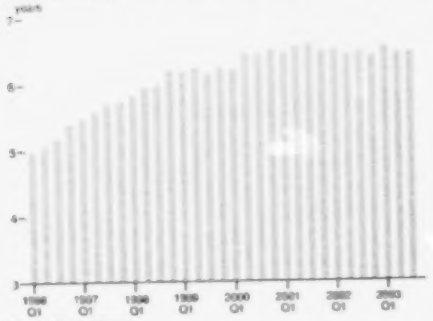
Primary Market

Government of Canada bond market benchmarks

Term	Maturity	Coupon	Amount outstanding	Yield (Dec. 31, 2003)
		(%)	(millions of dollars)	(%)
Fixed-coupon				
2-year	Dec. 1, 2005	3.00	5,500	2.96
5-year	Sept. 1, 2008	4.25	11,400	3.91
10-year	June 1, 2013	5.25	12,000	4.66
30-year	June 1, 2029	5.75	13,900	5.20
Real return				
30-year	Dec. 1, 2031	4.00	5,800	2.79

Source: Department of Finance.

Average term to maturity of Government of Canada marketable debt



Source: Bank of Canada.

Upcoming Government of Canada marketable bond maturities

January-March 2004	April-June 2004	July-September 2004	October-December 2004
	(millions of dollars)		
929	12,927	9,577	14,394

Outstanding Government of Canada foreign currency debt (as of October 31, 2003)

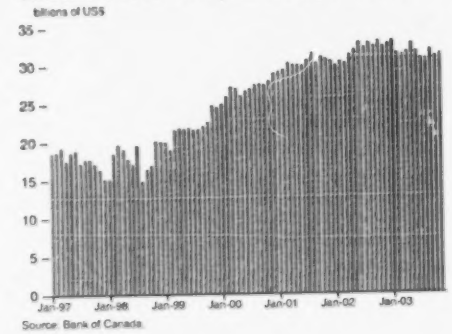
	(C$ millions)*
Canada bills	2,360
Canada notes	1,200
Outstanding under EMTN program	2,976
6¼% US$ bonds maturing November 30, 2004	2,637
6¼% US$ bonds maturing July 21, 2005	1,978
6¼% US$ bonds maturing August 28, 2006	1,319
6¼% NZ$ bonds maturing October 3, 2007	404
4¼% EUR bonds maturing July 7, 2008**	3,133
5¼% US$ bonds maturing November 5, 2008	3,297

*At par value, adjusted for exchange rates as of October 31, 2003.

**Original issue in Deutsche Marks was redenominated into euro on February 19, 1999.

Source: Bank of Canada.

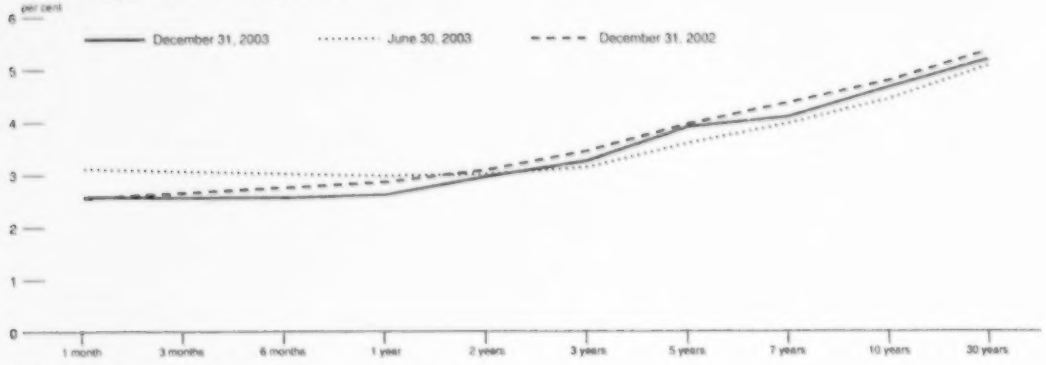
Canada's level of liquid foreign reserves



Source: Bank of Canada.

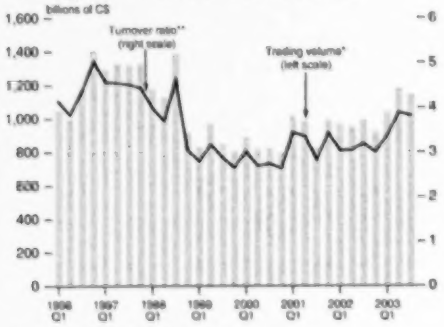
Secondary Market

Canadian yield-to-maturity curve



Source: Bank of Canada.

Government of Canada bonds trading volume and turnover ratio



*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

Government of Canada Treasury bills trading volume and turnover ratio

*Trading volume is total trading volume in each quarter.
**Turnover ratio = total trading volume in each quarter/stock.
Source: Bank of Canada.

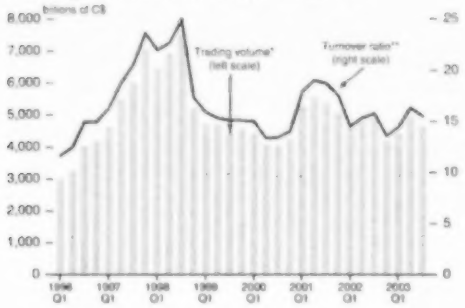
Government securities distributors

- Bank of Montreal (Treasury bills only)
- Beacon Securities Limited
- BMO Nesbitt Burns Inc. (marketable bonds only)
- Canaccord Capital Corp.
- Canadian Imperial Bank of Commerce (Treasury bills only)
- Casgrain & Company Limited
- CIBC World Markets Inc. (marketable bonds only)
- CTI Capital Inc.
- Desjardins Securities
- Deutsche Bank Securities Limited
- Golden Capital Securities Limited
- HSBC Bank Canada
- Laurentian Bank Securities Inc.
- Merrill Lynch Canada Inc.
- J.P. Morgan Securities Canada Inc.
- National Bank Financial Inc.
- Ocean Securities Inc.
- Odlum Brown Limited
- RBC Dominion Securities Inc.
- Resolution Capital Inc.
- Scotia Capital Inc.
- Société Générale Valeurs Mobilières Inc.
- The Toronto-Dominion Bank

Government of Canada Securities

Secondary Market

Government of Canada bond repos trading volume and turnover ratio



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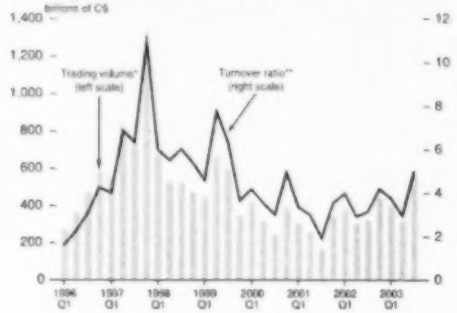
Government of Canada Treasury bill repos trading volume and turnover ratio



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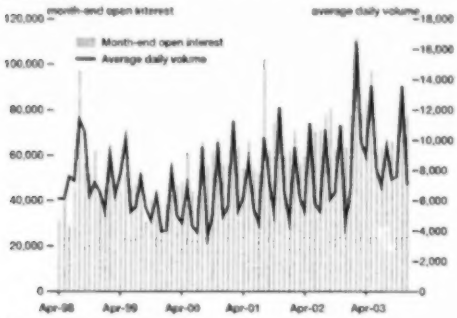
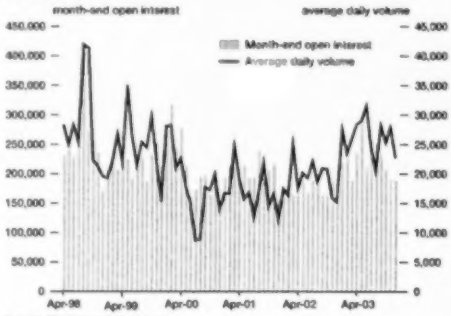
10-year Government of Canada bond futures



Source: The Montreal Exchange.

3-month bankers acceptance futures



Source: The Montreal Exchange.

Government of Canada long-term credit ratings

	Standard & Poor's Current	Moody's Investors Service Current	Dominion Bond Rating Service Current
Domestic debt – Trend	**AAA** Stable	**Aaa** Stable	**AAA** Stable
Foreign debt – Trend	**AAA** Stable	**Aaa** Stable	**AAA** Stable

This publication is also available on the Internet at www.fin.gc.ca.
Except as noted, the information in *Government of Canada Securities* is based upon data available as of January 5, 2004.
For further information, contact Brian Dell at (613) 992-6231.
For additional copies or subscription inquiries, please contact the Distribution Centre at (613) 995-2855.

Ce document est également disponible en français.

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